

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS**



Agency Performance Public Oversight Hearing

Testimony of  
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Director  
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Before the  
Committee of the Whole  
Council of the District of Columbia  
The Honorable Phil Mendelson, Chairman

March 5, 2020  
10:00 a.m.  
Room 500  
John A Wilson Building

1350 Pennsylvania Avenue, NW  
Washington, DC 20004

Good morning, Chairman Mendelson, Councilmembers, and staff. I am Ernest Chrappah, the Director of the Department of Consumer and Regulatory Affairs (DCRA). I am here this morning to share the many accomplishments and ongoing activities of the agency in fiscal year 2019 and fiscal year 2020 to date.

## **Introduction**

Mayor Bowser has set an ambitious agenda for a more responsive and accountable government in the District, and I am proud to be leading an agency that strives to live up to that aspiration. DCRA is tasked with very important responsibilities, including serving residents and businesses in the areas of consumer protection, business licensing and regulation, and building permitting and enforcement. To realize this mission, we must continuously improve, and I am excited about the transformation that the agency is undergoing.

I am pleased to report that DCRA exceeded nearly all of our Key Performance Indicators (KPIs) for FY 2019. As an example, we reviewed 94.3 percent of all non-accelerated permits within 30 business days of acceptance in FY 2019, which exceeded our target of 90 percent. Another KPI I would like to highlight is the percentage of Basic Business License, Corporation, and Office of Professional Licensing transactions that are conducted online. We conducted 68.9 percent of these licensing transactions online, which well exceeded our target of 45 percent. Across the board, the agency demonstrated a strong performance for FY 2019, and that is indicative of the positive changes that we have made.

For FY 2020, we have several new KPIs, particularly in the area of Property Maintenance (Housing) inspections, which I am proud to say we have exceeded in the first quarter of FY 2020. For example, 97.5 percent of housing inspections were completed within 15 business days from

the date of request, which exceeded our target of 75 percent. And 95.7 percent of housing Notices of Infraction (NOIs) have been initiated within 2 business days of inspections where violations were observed, exceeding our target of 90 percent. Overall we are on track for meeting our benchmarks in FY 2020, and I look forward to continuing to share these successes with you.

As you know, when I became Director of DCRA, I launched Vision 2020 to emphasize our commitment to transparency, accountability, and responsiveness along the journey toward digital transformation. Vision 2020 is DCRA's strategic plan for reforming the agency by the end of the 2020 calendar year. Fourteen of the plan's 19 components have already been completed, and the remaining five are being actively worked on. These reforms fall into four categories where we see the greatest need: (1) improving responsiveness; (2) enhancing transparency and accountability; (3) innovating to become more efficient; and (4) changing our internal culture. I would like to go through each category with you to highlight our progress and achievements.

### **Improving Responsiveness**

People are at the core of DCRA's mission, so we have taken measures to drastically improve our customers' experiences. We've taken our piloted system, CRM (Customer Relationship Management), and made it permanent with our new KRM (Kustomer Relationship Management) system. Under this new model, when a customer contacts DCRA, whether by phone, email, on our website, or via social media, the information is simultaneously logged into our KRM system, where it is routed to the appropriate division or divisions and resolved within three business days. Our KRM system allows us to more efficiently track each individual interaction with customers to ensure coordinated and streamlined responses by DCRA staff, and because it is integrated with email, our website, and social media, it reduces human error and helps

make sure we capture every customer interaction. KRM provides customers with email updates, and captures the full history of the communication, so that if a customer contacts us to follow-up, whoever receives the call can easily review the case history and be fully up-to-speed. Our KRM system also allows us to more effectively spot patterns and trends from a data analytics standpoint. This data can then be used to better inform how we deploy resources. In total, since we first launched our pilot CRM system last year to February 21<sup>st</sup> of this year, 30,751 cases have been created, with over 98 percent now resolved or fully closed.

I want to take a moment to tell you about one of these cases. In September, a resident contacted us about a home he had recently purchased. Unfortunately, the furnace system in his home had begun to malfunction. As the home was still under warranty, the developer sent someone out to repair the furnace, but this didn't solve the issue. Frustrated, the homeowner brought in an independent company to come in and look at the furnace, who quickly determined that the furnace could not be repaired, and in fact was the wrong size for the home. The builder refused to replace the faulty equipment, which is when DCRA stepped in. After a full investigation, our Consumer Protection Unit was able to secure a \$13,000 settlement for the homeowner in order to have the proper furnace system installed. This is just one of the many examples of how DCRA, often behind the scenes, works to protect District consumers.

Our effort to improve responsiveness is also evident in the revamp of our housing code enforcement process, which took place in the spring of 2019. Under our new process, the timeline between when a complaint is received and when a Notice of Infraction is issued for violations found during inspections has been greatly reduced—from an average of 88 calendar days to just 26 days. Now, once a complaint comes in, we contact the property owner via email or phone to let them know what issues have been reported and when an inspection will take place. If the

property owner fixes the issues to the satisfaction of their tenants prior to the scheduled inspection, we cancel the inspection. If not, we conduct the inspection and issue any necessary Notices of Infraction. Because we no longer issue warnings at the inspection stage, this speeds up the abatement timeline for tenants. It also frees up our inspectors to do other inspections. DCRA inspectors have also begun using mobile tablets to access a housing provider's violation history and submit inspection reports from the field, which contributes to streamlining our enforcement efforts.

We have also revamped our proactive inspections program that targets properties that have been problematic in the past. The system for proactive inspections had not been updated in more than 10 years, but I am proud to report that our agency has been working with Georgetown University to devise an algorithm that will help us prioritize buildings with histories of code violations as targets for increased inspections. This algorithm will consider factors such as the age of the building and the history of its landlord in order to focus on buildings where there is an increased likelihood of violations. This project aligns with one of my top priorities: using data to improve services for District residents.

DCRA has also expanded our University Off-Campus Rental Housing Program. The program allows us to partner with District universities, landlords, and student tenants to ensure student-rented properties throughout the city are properly licensed and inspected. Previously, the program was run in conjunction with Georgetown University; but now, DCRA is partnering with other universities in the District, including George Washington University, American University, and Howard University. With thousands of students from across the world coming to our city each year to study, ensuring their safety and making sure landlords aren't taking advantage of them is very important. This is all part of our focus on ensuring the safety of District tenants.

Knowing that residents and businesses are eager to get started on their construction projects, DCRA has worked hard to streamline the permitting process. Looking back to FY 2017, on average it took DCRA 114 days to issue a permit. That number is now down to an average of 78 days. As you know, permit applications are streamlined through DCRA to make things simpler for applications, but DCRA is not the only agency conducting the necessary reviews. Indeed, depending on the complexity of the project, permits often require approvals by the Department of Transportation, DC Health, the Department of Energy and Environment, the Historic Preservation Review Board, DC Water, and others. To continue our progress on cutting down review times, DCRA is working on bringing sister agencies into the process earlier, with the aim of catching issues early and preventing delays further down the road. For a small business like a restaurant, permit delays mean lost revenue and having to delay hiring staff. Knowing this, our staff works with businesses to troubleshoot their issues. Take Rasa for example. They're a fast-casual Indian restaurant with one location in Navy Yard, and a new one soon to open in Mount Vernon. Their permit application had some issues and was floundering in the system, so our team called a meeting with the owners and their design professionals. With everyone together, we found a quick and easy solution that is now helping them to open faster.

### **Enhancing Transparency and Accountability**

Turning now to transparency and accountability, DCRA is committed to providing information to the public that offers a candid look at the agency's efficiency and performance regarding service goals and the regulatory environment. We have made our current performance fully transparent with the creation of a public dashboard that residents can view on our website. The dashboard displays an extraordinary amount of data; for example, it shows housing code

inspection results on an interactive map which highlights the volume, type and location of inspections conducted by the agency, as well as the number of inspections where violations were abated. The public dashboard also shows that for the first time in three years, starting in the second half of FY 2019 and carrying through the present, DCRA is exceeding all 12 of our performance metrics that date back to 2017. Looking at the renewal of business licenses, for example, in FY 2017, DCRA met its goal of renewing business licenses within one day of receipt 77.8 percent of the time—in FY 2020, we're meeting that goal 96.9 percent of the time.

The public dashboard is just one example of how DCRA's website has been enhanced. We heard directly from residents and stakeholders that our website needed an upgrade, so in the fall of 2019, we launched a new version of our website. Our new website is much easier to navigate, includes updated and clearer content, is optimized for mobile devices, and includes the digitization of as many forms as possible to save people from having to visit our office. As an example, we recently digitized our Certificate of Occupancy application process. Gone are the days of residents having to physically come to DCRA and walk their application around to each division. Now, people are able to do it online and receive email updates at each step of the process, so they know exactly where their application stands. Our new website also includes our new records management site, eRecords, which allows customers to search and view building permit applications, approved building permits, building plans, and certificates of occupancy. There are now more than 62,000 permit applications, permits, and plans available online. We are also working on a project to use redaction software to eliminate sensitive information, such as personally identifiable information in documents. This will enable us to provide even more documents online in a rapid manner.

Over the last year, DCRA has also worked hard to engage with residents, businesses, and stakeholders throughout the District. This has included attending and participating in well over 150 ANC meetings, community events, and stakeholder meetings, in addition to weekly events hosted by DCRA's Small Business Resource Center that focus on a range of topics aimed at helping District entrepreneurs. As part of our effort to be more proactive, this past year, we also launched community office hours. Each month, our community outreach specialists pick a spot in the wards they represent and setup shop for a few hours, meeting residents one-on-one to answer their questions and help them access our services. At a recent session in Ward 7, one of our community outreach specialists setup shop at the Benning Neighborhood Library, where he met with nearly 10 residents over the course of two hours. Additionally, to help keep residents and businesses updated on the many initiatives we have underway; we have revamped our external newsletter and are sending it out on a bi-weekly basis.

### **Innovating To Become More Efficient**

I am proud of what DCRA has accomplished under the category of innovating to become more efficient. In response to evolving customer expectations, DCRA is working to systematically improve our work by leveraging new tools and technologies. For example, in June of 2019, DCRA launched our Resident Inspector Training Program that trains participants to become vacant building, illegal construction, and housing inspectors. Participants, most of whom are District residents, are able to earn extra income while helping the agency keep pace with the District's growing demand for inspections in our dynamic economy. As part of this innovative, market-based approach to inspections, people who complete our training programs, pass the appropriate certification exams, and commit to adhering to our code of conduct, are able to work as



independent contractors. Since launching the program, we have certified 167 inspectors; more than one-third of whom are women, who often face barriers when trying to enter the building industry. Due to the program's success, I expect this number to grow significantly in the coming months. This will allow us to more than double the inspection capacity we had prior to the program's launch.

Another efficiency the agency has undergone is due to the formation of our Regulatory Reform Working Group, comprised of stakeholders from across the city. One of the group's suggestions was to streamline our business licensing program to make it easier for people trying to start a business. Now, instead of more than 120 license categories, there are 12 consolidated licensing groups. DCRA has also streamlined the building permit process. We are issuing permits 30 percent faster than we did just two years ago, and in the past year, the agency has cut five days off the average time to issue a permit for projects that require a plan review. As an example of our growing efficiency, I'm also pleased to share that DCRA issued more than 2,800 solar installation permits in FY 2019, which is more than two times as many solar installation permits issued during the previous fiscal year.

Another innovation we made was the launch of a virtual plan review for residential and commercial projects under 10,000 square feet through a pilot program we named Project X. The program utilizes technology to bring everyone —plan reviewers, the project owner, and the design professionals hired by the project owner—together via video conferencing to review the plan and identify changes that need to be made in real-time, resulting in permits being issued about 70 days faster on average.

Finally, I am excited to report that DCRA is close to introducing a Contractor Rating System to help give District residents and businesses confidence in the building professionals they

hire. Like you, I've listened to frustrated residents tell me stories of how they've been ripped off by contractors. In response, we're using objective data to create a transparent rating system that will assign a score of one to five stars to building professionals operating in the District. The rating will have three components: the number of rounds of review for a permit application; the number of required individual building plan reviews; and the number of times it takes a project to pass an inspection. The overall score will be the average of the three components. This innovative approach will greatly benefit consumers as they make important decisions regarding professionals such as general contractors, architects, engineers, and electricians. In addition, we will also be releasing a list of known bad actors on our website so that District consumers know who to steer clear of.

### **Changing Our Internal Culture**

The last category I want to highlight is the investments we are making to improve DCRA's culture. I am a big proponent of harnessing the power of technology to enhance the services we provide to residents, but at the end of the day, it's always people who make the difference. No improvements will succeed without staff who are committed to the agency and passionate about our mission. I have made investments in human capital a priority and I am thankful for the Mayor's steadfast support, including a recent visit she made to DCRA to speak with our entire staff about the importance of our agency's work and the great responsibilities with which we are entrusted.

In September we engaged an experienced firm to work with our employees and improve our culture. The firm started with a comprehensive survey to better understand the needs of our workforce and have since conducted more than 40 focus group sessions with our employees to gather more detailed feedback. As part of their work, the firm is providing our staff with individual

career coaching sessions and is developing a training curriculum on topics ranging from customer service to leadership. Other recent changes have included the creation of an employee newsletter, an employee recognition program, a revamped onboarding process for new hires, and monthly office hours that I am holding to ensure employees feel comfortable sharing feedback and ideas with senior management. This is all part of our effort to motivate, empower, and instill passion in our employees.

## **Conclusion**

Chairman Mendelson and members of the Council, thank you for the opportunity to testify. As the Director, I'm both the agency's biggest cheerleader and its biggest critic. I know there are areas where more progress is still needed—let me assure you that we are working very hard and with great urgency to address them. I also think it's important to recognize the progress we've made and thank the men and women of our agency for their hard work, as well as the residents and community leaders who have given us good suggestions on how to improve. With that, I am happy to address any questions you may have.